

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  ATMOS ENERGY CORPORATION	DOCKET NO. PGA-03-43
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**ORDER APPROVING ANNUAL RECONCILIATION FILING**

(Issued October 30, 2003)

On October 1, 2003, Atmos Energy Corporation (Atmos) filed its annual reconciliation of gas costs for the 12-month period ending August 31, 2003, pursuant to subrule 199 IAC 19.10(7). Atmos supplemented the reconciliation filing, on October 27, 2003. Subrule 19.10(7) requires Iowa rate-regulated natural gas utilities to reconcile the actual net invoiced cost of purchased gas for each customer class to the actual revenues collected, net of the prior year's reconciliation amount plus any undistributed refunds.

For the 12-month period ending August 31, 2003, Atmos calculated it had overcollected from Firm customers and Interruptible customers, respectively, in the amounts of \$276,609.98 and \$12,373.63. The Board has reviewed the annual reconciliation filing and finds that it complies with 199 IAC 19.10(7) and adequately supports the overcollection calculation.

As a part of this reconciliation, Atmos proposes to accelerate recovery of certain costs previously approved by the Board. On October 30, 2003, in Docket No. WRU-02-38-222, the Board approved a proposal by Atmos to recover certain costs in

equal installments over a three-year period. In this year's filing, Atmos proposes to use part of its overcollection to accelerate recovery of these costs, rather than making a larger refund now but continuing to recover the remaining balance of these costs.

The Board will approve the annual reconciliation including the full recovery of the prior year costs approved in Docket No. WRU-02-38-222. It is reasonable to offset the full amount in this reconciliation rather than refund a larger amount this year and carry the balance forward. Atmos will be required to file a refund plan detailing its proposed plan for refunding of the overcollection to customers.

**IT IS THEREFORE ORDERED:**

1. The annual reconciliation filed by Atmos Energy Corporation on October 1, 2003, is approved.
2. Atmos Energy Corporation shall file a refund plan on or before November 20, 2003.

**UTILITIES BOARD**

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 30<sup>th</sup> day of October, 2003.